



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

**FORT LEAVENWORTH UNIFIED SCHOOL
DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS**

**FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019**

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2019

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FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS

Year Ended June 30, 2019

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INDEPENDENT AUDITORS' REPORT

Board of Education
Fort Leavenworth Unified School District No. 207:

Report on the Financial Statement

We have audited the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Fort Leavenworth Unified School District No. 207 (the District) as of and for the year ended June 30, 2019 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* (KMAAG) as described in Note 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and applicable provisions of the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2019, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the summary statement of regulatory basis receipts, expenditures, and unencumbered cash (the basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Berberich Trahan & Co., P.A.

Topeka, Kansas
October 21, 2019

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2019

FUNDS	Beginning Unencumbered Cash Balance as Previously Stated	Reclassification	Beginning Unencumbered Cash Balance as Restated	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General fund	\$ 111	\$ -	\$ 111	\$ -	\$ 9,431,532	\$ 9,431,643	\$ -	\$ 671,212	\$ 671,212
Supplemental general	422,334	(382,456)	39,878	-	3,293,172	3,321,999	11,051	11,995	23,046
Special purpose:									
Capital outlay	5,103,834	-	5,103,834	-	8,352,400	3,361,575	10,094,659	234,985	10,329,644
Food service	66,148	-	66,148	-	654,654	643,722	77,080	30,742	107,822
Special education	2,202,888	-	2,202,888	-	1,638,492	2,620,413	1,220,967	202,152	1,423,119
At-risk	436,013	-	436,013	-	343,049	286,792	492,270	27,956	520,226
Professional development	401,477	-	401,477	-	200,828	298,448	303,857	21,183	325,040
Kansas parent education	80,000	-	80,000	-	-	40,000	40,000	-	40,000
KPERS special retirement contribution	-	-	-	-	1,319,855	1,319,855	-	-	-
Federal grant funds (budgeted)	1,046,274	-	1,046,274	-	1,944,765	2,098,703	892,336	353,536	1,245,872
Bilingual education	394,617	-	394,617	-	169,932	195,900	368,649	21,940	390,589
Textbook	315,946	-	315,946	-	210,000	837	525,109	-	525,109
District Café	1,326	-	1,326	-	8,610	5,599	4,337	115	4,452
Contingency reserve	676,744	-	676,744	-	-	225,903	450,841	-	450,841
Colonel Griswold Endowment	41,540	-	41,540	-	30	9,254	32,316	-	32,316
Impact Aid 7003	1,258,325	382,456	1,640,781	-	-	390,291	1,250,490	5,278	1,255,768
District activity funds	20,831	-	20,831	-	110,194	112,614	18,411	-	18,411
Total reporting entity (excluding agency funds)	<u>\$ 12,468,408</u>	<u>\$ -</u>	<u>\$ 12,468,408</u>	<u>\$ -</u>	<u>\$ 27,677,513</u>	<u>\$ 24,363,548</u>	<u>\$ 15,782,373</u>	<u>\$ 1,581,094</u>	<u>\$ 17,363,467</u>
									\$ 1,032,587
									200
									11,244,175
									4,317,655
									750,439
									25,101
									17,370,157
									(6,690)
									<u>\$ 17,363,467</u>

See accompanying notes to financial statements.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT

June 30, 2019

1 - Municipal Financial Reporting Entity

Fort Leavenworth Unified School District No. 207 (the District) is a municipal corporation governed by a three-member board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

2 - Summary of Significant Accounting Policies

(a) Fund Descriptions

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following regulatory basis fund types comprise the financial activities of the District for the year ended June 30, 2019:

GOVERNMENTAL FUNDS

General Fund and Supplemental General Fund are used to account for the general operations of the District and are used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

FIDUCIARY FUNDS

Agency Funds are used to account for assets held by the District as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds are custodial in nature and do not involve measurement of operations.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(b) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c) waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the District to use the regulatory basis of accounting.

(c) Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, supplemental general fund and special purpose funds (unless specifically exempted by statute). Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budget and Tax Cycle (Continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The District had no budget amendments for the year ended June 30, 2019.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each budgeted fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for agency funds and the following special purpose funds:

Textbook, District Cafe, Contingency Reserve, Colonel Griswold Endowment, Impact Aid 7003, and District Activity Funds

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budget and Tax Cycle (Continued)

These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the District after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

(d) Chargeable Leave Benefits

All certified employees accrue chargeable leave at the rate of 13 days per year, accumulating to a maximum of 113 days. Other employees accrue leave based on the position occupied and contract days. Vacation is accumulated at the rate of 10 to 15 days per year depending upon the employee's length of service and classification. Benefits are prorated for part-time employees.

(e) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as expenditures during the year of purchase.

(f) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments

At June 30, 2019, the District had the following investments and maturities:

Investment Type	Fair Value	Maturity	Rating
Kansas Municipal Investment Pool	\$ 11,244,175	Less than a year	Not rated

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. Kansas statutes require that deposits be collateralized and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the District. At June 30, 2019, the District's deposits were not exposed to custodial credit risk.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments (Continued)

Custodial Credit Risk-Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At June 30, 2019, the District had invested \$ 11,244,175 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4 - In-Substance Receipt in Transit

The District received \$ 221,939 subsequent to June 30, 2019 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2019.

5 - Defined Benefit Pension Plan

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S. Kansas Avenue, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Defined Benefit Pension Plan (Continued)

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.38% and 12.01%, respectively, for the fiscal year ended June 30, 2018. The actuarially determined employer contribution rate and the statutory contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$ 64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year. The first-year payment of \$ 6.4 million was received in July 2017.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194,022,683 for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$ 19.4 million per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$ 1,565,096 for the year ended June 30, 2019.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Defined Benefit Pension Plan (Continued)

Net Pension Liability

At June 30, 2019, the District's proportionate share of the collective net pension liability reported by KPERS was \$ 16,574,676. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2018. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

6 - Tax Sheltered Annuity and Deferred Compensation Plans

The District participates in a 403(b) tax sheltered annuity plan and a 457(b) deferred compensation plan (the Plans). Employees who are at least 18 years of age and work 630 hours or more annually are eligible to participate in the Plans. There are no voluntary contributions or rollover contributions allowed under the Plans. However, participants may elect to defer accumulated vacation pay, retroactive back pay and accumulated sick pay into the Plans. Distributions are made upon retirement.

7 - Other Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

7 - Other Post Employment Benefits (Continued)

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

8 - Interfund Transfers

The District made the following interfund transfers during fiscal year 2019. The transfers were approved by the Board of Education.

From	To	Statutory Authority	Amount
General	Special Education	K.S.A. 72-6428	\$ 1,291,871
Supplemental General	At-Risk	K.S.A. 72-6428	48,169
Supplemental General	Food Service	K.S.A. 72-6428	28,832
Supplemental General	Bilingual Education	K.S.A. 72-6428	19,932

9 - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. Settled claims have not exceeded commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

10 - Excess of Expenditures Over Appropriations

Expenditures exceeded the available budget in the Federal grants fund. This was a result of grant reimbursements lagging behind expenditures for the grants as well as the Federal grants fiscal year (September 1 to August 31) being different from the District's fiscal year (July 1 to June 30).

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

11 - Subsequent Events

The Board of Education has approved the construction of a new Patton Junior High School at the site of the former MacArthur Elementary School. The total project cost is estimated to be \$46.8 million subject to final contractor bids and finalization of architecture plans and specifications. Contracts are anticipated to be formalized between December 2019 to March/April 2020 and construction started in spring 2020.

SUPPLEMENTARY INFORMATION

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2019

	Certified Budget	Adjustment to Comply with Legal Max	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
<u>FUNDS</u>					
Governmental type funds:					
General fund	\$ 10,005,580	\$ (573,937)	\$ 9,431,643	\$ 9,431,643	\$ -
Supplemental general	3,515,381	(193,377)	3,322,004	3,321,999	(5)
Special purpose:					
Capital outlay	8,180,000	-	8,180,000	3,361,575	(4,818,425)
Food service	664,480	-	664,480	643,722	(20,758)
Special education	2,880,300	-	2,880,300	2,620,413	(259,887)
At-Risk	302,863	-	302,863	286,792	(16,071)
Professional development	298,448	-	298,448	298,448	-
Kansas parent education	40,000	-	40,000	40,000	-
KPERs special retirement contribution	2,101,779	-	2,101,779	1,319,855	(781,924)
Federal grant funds (budgeted)	2,061,605	-	2,061,605	2,098,703	37,098
Bilingual education	195,900	-	195,900	195,900	-
Totals	<u>\$ 30,246,336</u>	<u>\$ (767,314)</u>	<u>\$ 29,479,022</u>	<u>\$ 23,619,050</u>	

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
General state aid	\$ 3,291,996	\$ 2,261,390	\$ (1,030,606)
Special education state aid	1,713,530	1,291,871	(421,659)
Federal impact aid	5,000,100	5,878,271	878,171
Total cash receipts	\$ 10,005,626	9,431,532	\$ (574,094)
Expenditures, encumbrances and transfers:			
Instruction	\$ 5,219,116	4,894,307	\$ (324,809)
Student support services	490,844	476,297	(14,547)
Instructional support services	30,675	32,865	2,190
General administration	589,525	613,733	24,208
School administration	650,539	646,728	(3,811)
Other supplemental services	629,828	601,204	(28,624)
Operations and maintenance	574,527	850,528	276,001
Transportation	-	24,110	24,110
Transfers to other funds	1,820,526	1,291,871	(528,655)
Budget adjustment to comply with legal maximum	(573,937)		573,937
Total expenditures, encumbrances and transfers	\$ 9,431,643	9,431,643	\$ -
Cash receipts under expenditures, encumbrances and transfers		(111)	
Unencumbered cash, beginning		111	
Unencumbered cash, ending		\$ -	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Taxes	\$ 7,712	\$ 8,707	\$ 995
Supplemental state aid	3,475,657	3,284,465	(191,192)
Total cash receipts	\$ 3,483,369	3,293,172	\$ (190,197)
Expenditures, encumbrances and transfers:			
Instruction	\$ 2,936,940	2,783,336	\$ (153,604)
Instructional support services	325,700	304,383	(21,317)
General administration	40,000	43,273	3,273
Operations and maintenance	-	193	193
Other supplemental services	93,940	93,881	(59)
Transfers to other funds	118,801	96,933	(21,868)
Budget adjustment to comply with legal maximum	(193,377)		193,377
Total expenditures, encumbrances and transfers	\$ 3,322,004	3,321,999	\$ (5)
Cash receipts under expenditures, encumbrances and transfers		(28,827)	
Unencumbered cash as previously stated, beginning		422,334	
Reclassification of cash between funds		(382,456)	
Unencumbered cash as restated, beginning		39,878	
Unencumbered cash, ending		\$ 11,051	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Taxes	\$ 10,055	\$ 10,245	\$ 190
Federal aid	4,200,000	8,087,588	3,887,588
Capital outlay state aid	8,356	8,356	-
Interest	-	236,436	236,436
Other revenue	-	9,775	9,775
	<u>\$ 4,218,411</u>	<u>8,352,400</u>	<u>\$ 4,133,989</u>
Expenditures and encumbrances:			
Student support services	\$ 395,000	720,679	\$ 325,679
Instruction	-	162,623	162,623
Instructional support services	40,000	126,755	86,755
Operations and maintenance	1,400,000	1,205,975	(194,025)
General administration	350,000	2,612	(347,388)
Food service	-	10,719	10,719
Other support services	545,000	1,633	(543,367)
Architectural and engineering services	250,000	91,748	(158,252)
New building acquisition and construction	5,000,000	908,056	(4,091,944)
Site improvement	200,000	130,775	(69,225)
	<u>\$ 8,180,000</u>	<u>3,361,575</u>	<u>\$ (4,818,425)</u>
Cash receipts over expenditures and encumbrances		4,990,825	
Unencumbered cash, beginning		5,103,834	
Unencumbered cash, ending		\$ 10,094,659	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
School lunches:			
Students	\$ 345,800	\$ 426,033	\$ 80,233
Nonreimbursable	23,483	8,608	(14,875)
School breakfast	27,949	13,157	(14,792)
Federal aid	159,468	150,316	(9,152)
State aid	5,620	6,595	975
Transfers from supplemental general fund	-	28,832	28,832
Other revenue	40,000	21,113	(18,887)
	\$ 602,320	654,654	\$ 52,334
Expenditures and encumbrances:			
Food service operation	\$ 664,480	643,722	\$ (20,758)
Cash receipts and transfers over expenditures and encumbrances		10,932	
Unencumbered cash, beginning		66,148	
Unencumbered cash, ending		\$ 77,080	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Federal aid	\$ 540,000	\$ 325,967	\$ (214,033)
Transfers from general fund	1,713,530	1,291,871	(421,659)
Medicaid	14,000	20,654	6,654
Total cash receipts and transfers	\$ 2,267,530	1,638,492	\$ (629,038)
Expenditures and encumbrances:			
Instruction	\$ 2,415,700	2,219,385	\$ (196,315)
Instructional support staff	10,500	1,744	(8,756)
Special area administrative services	274,600	236,892	(37,708)
Student support services	-	793	793
Other support services	44,400	44,182	(218)
Transportation	135,100	117,417	(17,683)
Total expenditures and encumbrances	\$ 2,880,300	2,620,413	\$ (259,887)
Cash receipts and transfers under expenditures and encumbrances		(981,921)	
Unencumbered cash, beginning		2,202,888	
Unencumbered cash, ending		\$ 1,220,967	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

AT-RISK FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Transfers from supplemental general fund	\$ 165,351	\$ 48,169	\$ (117,182)
Federal aid	450,000	294,880	(155,120)
Total cash receipts and transfers	\$ 615,351	343,049	\$ (272,302)
Expenditures and encumbrances:			
Support services	\$ 12,915	-	\$ (12,915)
Instruction	289,948	286,792	(3,156)
Total expenditures and encumbrances	\$ 302,863	286,792	\$ (16,071)
Cash receipts and transfers over expenditures and encumbrances		56,257	
Unencumbered cash, beginning		436,013	
Unencumbered cash, ending		\$ 492,270	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
Other state aid	\$ 11,848	\$ 828	\$ (11,020)
Federal aid	290,000	200,000	(90,000)
Total cash receipts	\$ 301,848	200,828	\$ (101,020)
Expenditures and encumbrances:			
Instructional support services	\$ 298,448	298,448	\$ -
Cash receipts under expenditures and encumbrances		(97,620)	
Unencumbered cash, beginning		401,477	
Unencumbered cash, ending		\$ 303,857	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

KANSAS PARENT EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

	Budget	Actual	Variance - Under
Cash receipts:			
Federal aid	\$ 40,000	\$ -	\$ (40,000)
Expenditures:			
Student support services	\$ 40,000	40,000	\$ -
Cash receipts under expenditures		(40,000)	
Unencumbered cash, beginning		80,000	
Unencumbered cash, ending		\$ 40,000	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts:			
KPERS State Aid	\$ 2,101,779	\$ 1,319,855	\$ (781,924)
Expenditures:			
Instruction	\$ 1,554,686	940,165	\$ (614,521)
Student support services	61,162	40,256	(20,906)
Instructional support services	62,002	48,234	(13,768)
General administration	64,945	47,446	(17,499)
School administration	85,122	57,212	(27,910)
Other support services	73,352	55,798	(17,554)
Operations and maintenance	102,987	74,912	(28,075)
Transportation	47,290	25,319	(21,971)
Food service	50,233	30,513	(19,720)
Total expenditures	\$ 2,101,779	1,319,855	\$ (781,924)
Cash receipts under expenditures		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		\$ -	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

FEDERAL GRANT FUNDS (BUDGETED)

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

	Title II-A Teacher Quality	Title I	Section 8007 Construction	TIP Grant	Project PRIME	Project LEADSS	Project READ	NG3D Grant	Other Federal Programs	Total Actual	Total Budget	Variance - Over (Under)
Cash receipts:												
Federal aid	\$ 36,817	\$ 63,865	\$ 358,724	\$ 18,176	\$ 594,183	\$ 170,070	\$ 242,820	\$ -	\$ 441,951	\$ 1,926,606	\$ 2,135,918	\$ (209,312)
Other	-	-	-	-	-	-	-	5,000	13,159	18,159	-	18,159
Total cash receipts	<u>36,817</u>	<u>63,865</u>	<u>358,724</u>	<u>18,176</u>	<u>594,183</u>	<u>170,070</u>	<u>242,820</u>	<u>5,000</u>	<u>455,110</u>	<u>1,944,765</u>	<u>\$ 2,135,918</u>	<u>\$ (191,153)</u>
Expenditures and encumbrances:												
Instruction	36,817	64,848	-	4,407	106,969	-	-	4,838	-	217,879	\$ 845,094	\$ (627,215)
Student support services	-	-	-	320	-	-	-	-	-	320	500	(180)
Instructional support staff	-	-	-	12,467	545,700	265,158	267,334	-	-	1,090,659	739,011	351,648
General administration	-	-	-	-	-	-	-	-	-	-	9,500	(9,500)
Central services	-	-	-	-	-	-	-	-	-	-	500	(500)
Operations and maintenance	-	-	-	-	-	-	-	-	133,286	133,286	193,000	(59,714)
Architectural services	-	-	364,912	-	-	-	-	-	-	364,912	-	364,912
Student transportation services	-	-	-	-	-	-	-	-	287,065	287,065	274,000	13,065
Other supplemental services	-	-	-	506	-	-	-	-	4,076	4,582	-	4,582
Total expenditures and encumbrances	<u>36,817</u>	<u>64,848</u>	<u>364,912</u>	<u>17,700</u>	<u>652,669</u>	<u>265,158</u>	<u>267,334</u>	<u>4,838</u>	<u>424,427</u>	<u>2,098,703</u>	<u>\$ 2,061,605</u>	<u>\$ 37,098</u>
Cash receipts over (under) expenditures and encumbrances	-	(983)	(6,188)	476	(58,486)	(95,088)	(24,514)	162	30,683	(153,938)		
Unencumbered cash, beginning	-	983	832,836	(476)	(237,897)	(28,365)	(70,759)	1,574	548,378	1,046,274		
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 826,648</u>	<u>\$ -</u>	<u>\$ (296,383)</u>	<u>\$ (123,453)</u>	<u>\$ (95,273)</u>	<u>\$ 1,736</u>	<u>\$ 579,061</u>	<u>\$ 892,336</u>		

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

BILINGUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

	Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Federal aid	\$ 200,000	\$ 150,000	\$ (50,000)
Transfers from supplemental general fund	60,446	19,932	(40,514)
Total cash receipts and transfers	\$ 260,446	169,932	\$ (90,514)
Expenditures and encumbrances:			
Instruction	\$ 195,900	195,900	\$ -
Cash receipts and transfers under expenditures and encumbrances		(25,968)	
Unencumbered cash, beginning		394,617	
Unencumbered cash, ending		\$ 368,649	

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

TEXTBOOK FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

Cash receipts:		
Federal aid	\$	210,000
Expenditures:		
Books and supplies		<u>837</u>
Cash receipts over expenditures		209,163
Unencumbered cash, beginning		<u>315,946</u>
Unencumbered cash, ending	\$	<u><u>525,109</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

DISTRICT CAFE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

Cash receipts:		
Fees	\$	8,610
Expenditures and encumbrances:		
Vending expenses		<u>5,599</u>
Cash receipts over expenditures and encumbrances		3,011
Unencumbered cash, beginning		<u>1,326</u>
Unencumbered cash, ending	\$	<u><u>4,337</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

Expenditures:	
Instruction	\$ 1,755
School administration	224,148
	<hr/>
Total expenditures	225,903
Unencumbered cash, beginning	676,744
	<hr/>
Unencumbered cash, ending	<u>\$ 450,841</u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

COLONEL GRISWOLD ENDOWMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

Cash receipts:		
Contributions	\$	30
Expenditures:		
Instructional support		<u>9,254</u>
Cash receipts under expenditures		(9,224)
Unencumbered cash, beginning		<u>41,540</u>
Unencumbered cash, ending	\$	<u><u>32,316</u></u>

(Continued)

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

IMPACT AID 7003 FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)

Year Ended June 30, 2019

Expenditures and encumbrances:	
Instruction	\$ 4,208
Operations and management	10,996
Instructional support staff	<u>375,087</u>
Total expenditures and encumbrances	<u>390,291</u>
Unencumbered cash as previously stated, beginning	1,258,325
Reclassification of cash between funds	<u>382,456</u>
Unencumbered cash as restated, beginning	<u>1,640,781</u>
Unencumbered cash, ending	<u>\$ 1,250,490</u>

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

STUDENT ORGANIZATION FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

Year Ended June 30, 2019

	Balance July 1	Cash Receipts	Cash Disbursements	Balance June 30
Patton Junior High:				
Pep club	\$ 45	\$ 231	\$ 276	\$ -
Student council	1,091	3,527	1,086	3,532
Chief's Hearts	156	-	60	96
Art award	376	355	731	-
National junior	-	737	581	156
School activities	-	5,535	4,212	1,323
Student activities	674	14,607	14,617	664
Yearbook	1,567	953	1,601	919
	<u>\$ 3,909</u>	<u>\$ 25,945</u>	<u>\$ 23,164</u>	<u>\$ 6,690</u>
Total all funds	<u>\$ 3,909</u>	<u>\$ 25,945</u>	<u>\$ 23,164</u>	<u>\$ 6,690</u>

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS

Year Ended June 30, 2019

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Transfers	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Patton Junior High:								
Sales tax	\$ 38	\$ -	\$ (38)	\$ -	\$ -	\$ -	\$ -	\$ -
Impress fund	(651)	-	19,198	17,797	-	750	-	750
Site-based council	84	-	17,502	13,646	-	3,940	-	3,940
Book fair	1,939	-	2,359	3,781	-	517	-	517
Patton G/B BB	436	-	-	436	-	-	-	-
PSAT AP exams	1,054	-	1,068	1,815	-	307	-	307
Odyssey of the Mind	1,277	-	4,875	6,152	-	-	-	-
Subtotal Patton Junior High	4,177	-	44,964	43,627	-	5,514	-	5,514
Bradley Elementary	3,748	-	19,180	19,566	-	3,362	-	3,362
Eisenhower Elementary	4,447	-	20,158	21,420	-	3,185	-	3,185
MacArthur Elementary	8,459	-	25,892	28,001	-	6,350	-	6,350
Total all funds	\$ 20,831	\$ -	\$ 110,194	\$ 112,614	\$ -	\$ 18,411	\$ -	\$ 18,411

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2019

Grant Title	Federal CFDA Number	Program Award	Unencumbered Cash Balance July 1, 2018	Receipts and Transfers	Disbursements, Accounts Payable, Encumbrances and Transfers	Unencumbered Cash Balance June 30, 2019
U.S. Department of Agriculture:						
Passed through Kansas State Department of Education:						
Child Nutrition Cluster:						
National School Breakfast program	10.553	\$ 13,330	\$ -	\$ 13,330	\$ 13,330	\$ -
National School Lunch program	10.555	132,728	-	132,728	132,728	-
Special Milk	10.556	4,258	-	4,258	4,258	-
Total U.S. Department of Agriculture			-	150,316	150,316	-
U.S. Department of Defense:						
Support for Student Achievement at Military Connected Schools/SPED (Project PRIME) 2015-2020	12.556	1,500,000	(237,897)	594,183	652,669	(296,383)
Support for Student Achievement at Military Connected Schools/SPED (Project LEADSS) 2016-2021	12.556	1,500,000	(28,364)	170,070	265,158	(123,452)
Support for Student Achievement at Military Connected Schools/SPED (Project READ) 2017-2022	12.556	1,200,000	(70,759)	242,820	267,334	(95,273)
Section 7703 of 20 U.S.C. for Fiscal Year 2017	12.558	451,169	152,502	-	152,502	-
Section 7703 of 20 U.S.C. for Fiscal Year 2018	12.558	451,169	-	441,951	271,925	170,026
Total U.S. Department of Defense			(184,518)	1,449,024	1,609,588	(345,082)
U.S. Department of Education:						
Impact Aid	84.041	15,426,430	4,061,892	15,426,430	10,778,144	8,710,178
Passed through Kansas State Department of Education:						
Title I Grants to Local Education Agencies	84.010	63,865	983	63,865	64,848	-
Special Education Cluster:						
Title VI-B	84.027	75,000	-	75,000	75,000	-
Title VI-B Discretionary 2019	84.027	18,176	(476)	18,176	17,700	-
Title VI-B Preschool	84.173	4,000	-	4,000	4,000	-
Title VI-B IDEA	84.027	1,500	-	1,500	1,500	-
Total Special Education Cluster			(476)	98,676	98,200	-
Title II-A, Teacher Quality 2019	84.367	23,913	-	23,913	23,913	-
Student Support and Academic Achievement Program	84.424	12,904	-	12,904	12,904	-
Total U.S. Department of Education			4,062,399	15,625,788	10,978,009	8,710,178
Totals			\$ 3,877,881	\$ 17,225,128	\$ 12,737,913	\$ 8,365,096

See accompanying notes to schedule of expenditures of federal awards.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2019

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Fort Leavenworth Unified School District No. 207 (the District) under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statement. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position of the District.

2 - Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the regulatory basis of accounting, as described in Note 2 to the District's financial statement.

The District has not elected to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2019

I. Summary of Independent Auditors' Results

Financial Statement

Type of report issued on whether the financial statement audited was prepared in accordance with GAAP:

Adverse

Type of auditors' report issued on the basis of accounting used by the District:

Unmodified – Regulatory basis

Internal control over financial reporting:

Material weaknesses identified

None

Significant deficiencies identified that are not considered to be material weaknesses

None reported

Noncompliance material to financial statement

None

Federal Awards

Type of auditors' report issued on compliance for major programs

Unmodified

Internal control over major programs:

Material weaknesses identified

None

Significant deficiencies identified that are not considered to be material weaknesses

None reported

Findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)

None

FORT LEAVENWORTH UNIFIED SCHOOL DISTRICT NO. 207
FORT LEAVENWORTH, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.041	Impact Aid
12.556	Support for Student Achievement at Military Connected Schools/SPED
Dollar threshold used to distinguish between type A and type B programs	\$ 750,000
Auditee qualified as low-risk auditee	No

II. Financial Statement Findings

No matters reported.

III. Findings and Questioned Costs for Federal Awards

No matters reported.



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Education
Fort Leavenworth Unified School District No. 207:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Fort Leavenworth Unified School District No. 207 (the District), which comprises the summary statement of regulatory receipts, expenditures and unencumbered cash as of June 30, 2019 and the related notes to the financial statement, and have issued our report thereon dated October 21, 2019. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Berberich Trahan & Co., P.A.

October 21, 2019
Topeka, Kansas



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE**

Board of Education
Fort Leavenworth Unified School District No. 207:

Report on Compliance for Each Major Federal Program

We have audited Fort Leavenworth Unified School District No. 207's (the District's) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

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Opinion on each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each of the major federal programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Berberich Trahan & Co., P.A.

October 21, 2019
Topeka, Kansas